January, 1958

THE Credit Union

OFFICIAL PUBLICATION OF THE CREDIT UNION NATIONAL ASSOCIATION, INC.

ON THE COVER

This barbershop in New Orleans is airconditioned thanks to a credit union loan. A unique small businessmen's credit union, serving members of a small businessmen's association, will be featured in The Bridge soon.

The Credit Union Bridge

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COMING SOON

Counselling experience in Tennessee

Operation Impact in Washington, D.C.

What is this thing called CREDIT UNION PHILOSOPHY?

CREDIT union officers often speak of something called "credit union philosophy."

By this they mean the principles and practices that have been worked out over a hundred years to make credit union service as helpful as possible.

Every credit union member ought to have at least a rough idea of what credit union philosophy means. Here are its main points:

1. Membership in your credit union is open to everybody in the basic group it serves. Nobody is excluded. If your credit union serves a group of employees, it should serve them all—and their families too if the law permits. If it serves members of a church, or a labor union, or a fraternal group or other association, it should serve them all. Nobody should be denied membership. Where temporary or retired employees make special problems, every effort should be made to give them all possible service.

2. A credit union serves only its members. It does not do business with the general public. It is not out to compete with banks or other financial institutions. It is a group of people helping each other, in the spirit of neighborliness; its officers serve without pay. As a close membership organization, it can give better service at low cost. It can treat its members problems with understanding and sympathy.

3. Your credit union is neutral in politics. While the credit union movement campaigns for better credit union laws through Leagues and the Credit Union National Association, credit unions never endorse any political party. There are no special alliances with any other pressure groups, such as labor, business, church or co-op organizations. The credit union movement will help any group organize a credit union, regardless of race, color or creed, social class or economic position, political loyalty or religious affiliation. But it will not join them in political programs.

4. A credit union should be independent in its operations, making its decisions on the basis of what will give the members the best service. It should not let itself be led or dominated by outside interests—government officials, business management, union representatives or church officers. Persons representing other authority, such as an employer or a union agent, should not be placed in a position to control the credit union. But they should be very wel-

come as credit union members.

5. A credit union should lay as few restrictions as possible on the members. Limits should not be placed on savings or loans except as required by law. Members should be encouraged to make the fullest possible use of credit union service, but they should not be dictated to. Where an occasional member shows bad judgment in the use of money, he should be helped in every way possible to get straightened out.

6. A credit union loan is based on the character of the borrower. Other forms of security may also be required on larger loans due to legal requirements, but character is what counts. The credit union movement takes pride in the fact that over the years the members have demonstrated their honesty overwhelmingly. Losses on bad loans have been extremely small. Remember that no matter what purpose you borrow for—and you can borrow for any useful purpose — your character makes the loan possible. The need for the loan and the character of the applicant are the two chief factors considered by the credit committee, although of course there must also be the ability to repay.

Treat Them All Alike

7. All members should be treated alike. Especially, there should be no special interest rates based on differences in security. Special favoritism of any kind is completely out of place.

8. Officers and committee members should represent all segments of the membership.

9. The credit union should resist the temptation to get into activities that detract from its basic services of helping the members save and providing them with personal loans. Sometimes a credit union may grow big enough so that real estate loans can be made, but usually the personal loan needs of the members will be as much as the credit union can handle.

10. The members' affairs are to be treated in the strictest confidence. Officers of the credit union are under oath to respect this obligation.

11. A credit union is simply a pool of money saved by the members, under the control of the members, existing for the use of the members. Every decision made should be an answer to the question: will this help the members?

THE CREDIT UNION MOVEMENT

A CREDIT union is a non-profit membership organization, which provides its members with thrift and credit services.

It serves only its members and does not seek business from the public.

Its low-cost operation is based on the fact that its officers and committee members serve without pay; overhead and the cost of doing business also are low. Hence a credit union can offer personal loans at low rates, while paying attractive dividends on savings invested in share accounts.

Most credit unions are small: the average membership is about five hundred. Some operate successfully with less than a hundred members.

The first credit union in North America was organized in Levis, Quebec, in 1900. The first in the United States was chartered in Manchester, New Hampshire, in 1909.

Credit unions have pioneered in the field of low-cost personal loans and consumer credit. They have pioneered in the protection of borrowers, their families and their co-makers by loan protection insurance. They first introduced, as an incentive to thrift, the type of life savings insurance now sometimes called "double dollar insurance."

There were 23,319 credit unions reported at November 25, 1957, in the United States, Canada and other parts of the Western Hemisphere. They were increasing at the rate of about 1,200 a year.

Most of these credit unions are associated in state and provincial credit union leagues, in order to provide themselves with legal, educational and technical services.

The leagues are joined together in the Credit Union National Association, which has its headquarters in Madison, Wisconsin. Through its departments and affiliated corporations, CUNA provides a growing list of services to leagues and credit unions.

During recent months loan sharks have been reported operating among Air Force personnel and among employees of a great metropolitan newspaper; credit unions have been organized to combat them. Credit unions have also been organized among people in the villages of the Fiji Islands, the Philippines and the Andes.

There are credit unions among the fishermen of Nova Scotia and British Columbia, among the farmers of North Dakota and Kansas, among the teachers of Chicago and Los Angeles, among the auto workers of Michigan and the police of St. Louis. There are credit unions among Chilean paper-mill workers and Trinidad steel workers. There are credit unions of milkmen and airline pilots.

This simple democratic method of providing basic financial service meets needs everywhere. It works wherever people are willing to help each other.

GREETINGS TO CREDIT UNION MEMBERS from the CUNA Executive Committee

W. O. Knight, Jr., of Sioux Falls, S.D., president of the Credit Union National Association: The eminent historian, Arnold Toynbee, says: "Our day will be known, not for its horrifying crimes or its astonishing inventions, but because it is the first age since the dawn of history in which mankind dares to believe it practical to make the benefits of civilization available to the whole human race." I salute the thousands of credit union volunteers who are making history.

James W. Grant of Washington, D. C., secretary of the Credit Union National Association: The close of the year has seen another milestone added to the long road of progress in our movement. It is with justifiable pride that we look back to the accomplishments of 1957, only to resolve that in 1958 we will improve and extend our program to better serve more people in more ways.

Joseph A. Moore of Pittsburgh, Pa., first vice president of the Credit Union National Association: There is no unsurmountable barrier to the spread of the credit union movement save our own weakness of purpose. There is no greater asset than persistence in united efforts to bring mastery of their economic destinies to the peoples of the world.

Arthur R. Parsons of Tucson, Ariz., vice president for the western district: The problem of bringing more and better credit union service to the rapidly growing membership throughout the world presents a tremendous challenge as we gather to make plans for the coming year. My best wishes to all credit union people in meeting this challenge.

Cecil E. Burdick of Longview, Texas, vice president for the southern district: May I take this opportunity to extend to you a great big southern "Howdy." In view of the close fellow feelings that tie us together throughout the credit union movement — north, south, east and west — the full Texas greeting is called for: "Howdy, pardner!"

John M. Homer of Hamilton, Ont., vice president for the Canadian District: In extending greetings to the credit union people of North America at the time we will be holding our annual meetings, I would like to leave one thought with you. This priceless heritage that has been given to us—the Credit Union Way—came to us only because of the hard-fought battles of the Raiffeisens, the Desjardins, the Bergengrens, the Doigs and countless thousands of others who have gone on before us. It is up to us to keep alight the torch that they flamed into existence. Let us all, in the family of CUNA, CUNA Mutual and CUNA Supply Cooperative, work together as a team for the good of the common man.

Robert F. Williams of Victoria, B. C., treasurer of the Credit Union National Association: We Canadian credit unionists send New Year's greetings to credit union officers and members everywhere. May 1958 be a good year for you, full of good fellowship, sound progress and satisfying achievements!

H. E. McArthur of Waukegan, Ill., vice president for the Central district: Best wishes for the future to the millions of worldwide credit union members. May we continue to go forward, ever mindful of the principles and philosophy of the pioneers and founders of this service. Adherence to these concepts will give us assurance that we shall never become just another lending agency.

Harold Wingstad of Alliance, Nebraska, vice president for the midwestern district: On this anniversary, it is a good time to pause and take stock of our progress. Are we satisfied with what we have done? Are our plans for the future clear enough, big enough, exciting enough? Let's give our credit unions this month the benefit of our best and most constructive thinking!

Julius Stone of Boston, Mass., vice president for the eastern district: At the annual meeting millions of men, women and children are given the opportunity, at the grass roots level and in a democratic manner, to review the services and benefits that they have received and to determine what they wish in the future. May their deliberations be productive to credit unions everywhere.

Melvin H. Widerman, Baltimore, Md., former president of the Credit Union National Association and member ex officio of the executive committee: Many times we have heard the saying, "In union there is strength." We must continue to work for the good of the credit union member—so often we forget the reason for our interest in the credit union movement. Let us all resolve to move toward a united front and use our available time and effort to tell the credit union story wherever we go.

THE

THE

A WORKINGMAN whom we shall call Charlie Jones borrowed $10 in 1955 from a small loan broker in Jackson, Mississippi. The broker had Charlie sign a note for $17.50, which he was to pay back in seven weekly payments of $2.50 each.

Charlie made his payments faithfully for five weeks, falling just a dollar behind. Still owing $6, he couldn't make the next payment at all.

A week later he went into the broker's office to make a payment and was told that "his time had run out." The broker said Charlie would have to pay off the loan in full or refinance. Charlie said he would refinance.

So the broker wrote a new note for $17.50, gave Charlie $3 in cash, and sent him home to start his payments all over again.

Question: how much interest was Charlie paying on his new loan? The answer, not to waste any time over it, is: 1,264 percent per annum.

This is a true story, and there are a lot more stories like it printed in a little book called "A Factual Study of Usury in Mississippi" and published by the state chamber of commerce (Mississippi Economic Coun-

LOAN SHARK AND RACKETEER

They still prey on the inexperienced, the foolish, the desperate

cil). Mississippi businessmen and attorneys became alarmed over the small loan situation in their state in 1955, sponsored an investigation, and presented their findings to the legislature. This year the Mississippi legislature will hold hearings on small loan legislation, and maybe the state will find a way at last to deal with loan sharks.

Mississippi is only one of many states in which loan sharks are a menace to the public. The situation in Mississippi is typical of the unregulated states, where no realistic small loan laws have ever been passed. But even in the regulated states, loan sharks find loopholes in the statutes.

There is a law almost anywhere you go that makes it illegal to charge more than 6 percent per annum on a loan. This is the so-called Usury Law. But this law is so full of holes that it bothers nobody.

The way they get around it in Mississippi, for example, is deliciously simple. They don't call it interest—they call it a brokerage charge. There is no legal limit on brokerage charges, so the lenders pretend that they are lending you money which they have obtained from somebody in Louisiana. They are not lending you their own money at all. There is nothing in Mississippi law that says you cannot charge 1,000 percent as a brokerage charge if you want to.

Stands Up in Court

This has been tested in court several times. The most important case was a suit by a man named Lott against a broker in Greenwood named Tower Underwriters, Inc., and a Louisiana company called the Louisiana Loan Discount Corporation. Lott asked for the return of $1,546 which he had paid in principal and interest on three auto loans. There was no question that Lott had paid more than 6 percent per annum on his loans, but the Supreme Court said it had no jurisdiction over exorbitant charges by a company located outside the state and no power under the law to regulate brokerage fees. That is where things stand today in Mississippi.

Montana is another state without effective small loan legislation.

The loan shark activities that developed at Malmstrom Air Force Base shocked base officers and the Air Force high command in 1955. Great Falls, Montana, is an Air Force town and has produced many of the little rackets that thrive on young servicemen. Many air men who arrive at Great Falls for training are inexperienced in financial matters; many of them marry before they reach the age of 21, rent trailers or apartments, buy furniture and television sets.

An auto dealer in Great Falls worked out a loan racket on the base in cooperation with a small network of enlisted men in the upper grades. These enlisted men worked as pushers for the loan shark, mostly in the field of $5 loans. This is the traditional loan-shark pattern: I lend you $5 now, you pay me back $6 next week. But the loans ran larger sometimes: the legal office uncovered loans of $10 and $20, with paybacks as high as $17 and $34. From each dollar of interest collected, the loan shark took 40 cents and split the rest among upper and lower pushers.

Men in uniform work under a stricter law than civilians. The Articles of War forbid conduct of a nature to bring discredit on the armed forces. This fine broad phrase can be used to penalize a multitude of

sins, including usury. When the wing commander at Malmstrom learned about his loan sharks in uniform, he pointed out the possibility of court martial under Article 134; and when the personnel officer, Lt. Joel B. Taylor, suggested organizing a credit union, Col. Murray A. Bywater bought the idea enthusiastically. The credit union was organized in June, 1955, and by the end of the year loan sharkism had disappeared.

Commander at Work

Col. R. O. Bandlow, who became base commander shortly after the credit union was chartered, took a vigorous part in credit union educational work at the field. He designed a flip chart to tell the credit union story, and went around from group to group urging the men to make use of the credit union's services. The quick success of the credit union at Malmstrom, added to several other credit union success stories on other air bases, led the Air Force high command in late spring of 1957 to issue a directive requiring base commanders to support the organization of credit unions among the men under them. There are now 157 air force credit unions.

There was a time when loan sharks worked mostly among low-income groups. Immigrants who had recently arrived from Europe frequently got in the grips of loan sharks when they bought their first furniture. Today, Negroes who move from the South to the North often make the acquaintance of northern loan sharks soon after they find their first jobs. Whenever people move from job to job, they need money; during the war years, loan sharks used to hang around factory gates lending out five dollar bills to new employes and making collections on pay days.

Railroad and postal workers were among the first to fall for the type of shark who sells watches or jewelry with a blank installment contract. They were among the first to pick up the credit union idea as a method of protecting themselves. Fifty years ago there began a great crusade to clean out loan sharkism; as a result, today 43 states and all the provinces of Canada have credit union laws. Thirty-six states and Canada have effective small loan laws. A new drive seems now to be under way to stamp out new abuses in the field of consumer credit, thanks to a law passed in New York State.

Yet the problem still exists and probably will always exist. If you estimate the loan shark problem by dollar volume, it may look small; if you look at the victims as a percentage of the population, it may look bigger. Possibly it is growing. The costs of making small loans are going up steadily for commercial lenders, and the average loan is getting bigger. People who want to borrow five or ten dollars are finding it harder.

There is an aroused public opinion that can be mobilized more quickly today than fifty years ago, and the worst abuses are stamped out fast.

How fast the people of Georgia act to eliminate the abuses now going on under their industrial loan act will be interesting to watch. Georgia has been a battleground between loan sharks and reformers for many years. The largest loanshark networks in the southern states were born in Atlanta, their first prey the railroad workers in the great Atlanta yards.

Come On In . . .

The new industrial loan act, passed by the Georgia legislature in 1955, created such attractive working conditions for money lenders that 200 new loan companies were organized in the first three months after passage. Here's how one Atlanta employee (we'll call him Barry Jenkins) found things under the new law:

Jenkins went to a licensed finance company for a $50.67 loan, which he needed for four months. He was required to sign a note for $66.97. The charges, in other words, added up to $16.30, or 96 percent per annum. They were itemized like this:

Interest: $1.79 (8 percent per annum)

Statutory fee: $1.00

Statutory 8 percent fee: $4.69

Premium for credit life insurance: .44

Policy-writing fee: .35

Premium for accident and health insurance: $8.03

The juiciest plum in this list is the premium for accident and health insurance, although the flat 8 percent runs pretty high too. Accident and health insurance is the new bonanza that lenders are now discovering and exploiting wherever the laws permit. This is a vicious practice in several respects:

- Borrowers are compelled to take out insurance of the most expensive and useless type. No one in the insurance business seriously argues that there is any social value in insurance that pays nothing but small claims. It is always much too expensive to be worth while.
- While, according to the law, borrowers are free to buy accident and health insurance wherever they wish, actually lenders are in an excellent spot to coerce borrowers. Just a hint, a tilt of the head, will scare the borrower into signing whatever blank is placed in front of him. There is plenty of evidence that this is true.
- Finally, a system of kickbacks between insurance companies and loan companies creates inducements for loan companies to provide the highest priced insurance available, rather than the lowest priced. This competition in reverse pushes rates up.

Only one state, Wisconsin, has tried to stamp out this type of abuse. A law passed in 1957 is now being put to work, and the effects can probably be evaluated by next fall.

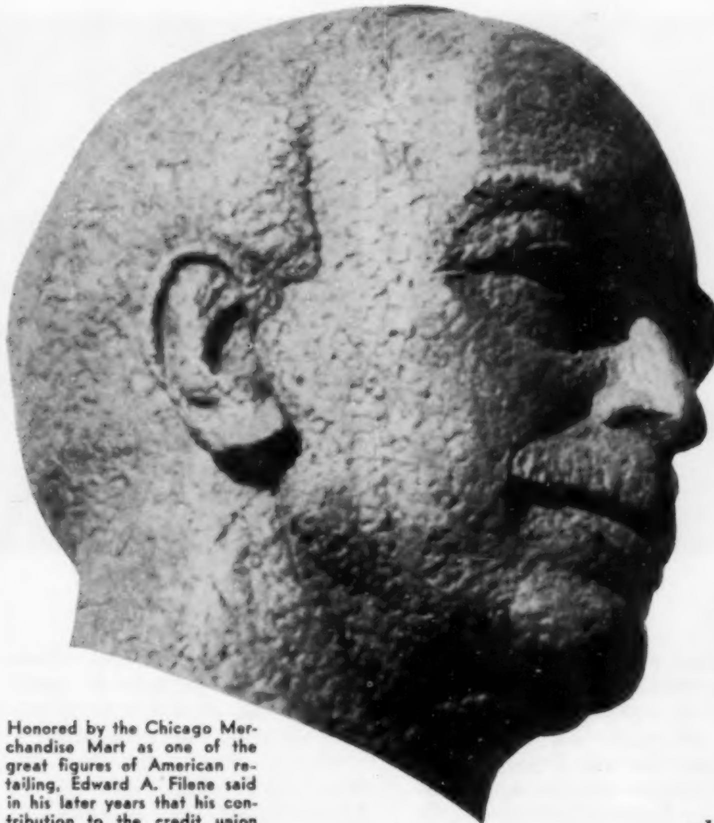
This is the age of mass credit. Mass production began its modern development about a hundred years ago. Mass distribution came with the big department stores, mail order companies and chain stores fifty years later. Mass credit began its first rapid growth during the twenties, but has begun to have its most sweeping effects since World War II.

Expect Growing Pains

During the years of growth of any new force, you can expect abuses and growing pains. Methods of regulation grow slowly. Chiselers and racketeers come and go.

Between 1946 and 1957, the short-term debts (personal loans, service credit, installment-purchase loans) of the people of the United States have increased from eight billion dollars to forty-three billion. How fast credit is expanding in Canada is indicated by the fact that retail installment financing rose 28 percent in 1956, and sales finance figures were reported up 20 percent. As employment and income rise in any country, borrowing rises at a still faster rate.

Credit is growing more respectable by leaps and bounds, but it is also developing many traps, snares and hazards. Your credit union is a place of refuge for you, a haven of safety.



Honored by the Chicago Merchandise Mart as one of the great figures of American retailing, Edward A. Filene said in his later years that his contribution to the credit union movement was his most satisfying memory.

FILENE

the little shopkeeper from Boston, whose ideas for service to customers made him one of the great names in the business world, could not rest and gave his assistants no rest. More than a million dollars from his fortune helped establish the credit union movement—because the idea of unselfish service meant more to him than meat and drink.

WHAT was it like to work for Filene?

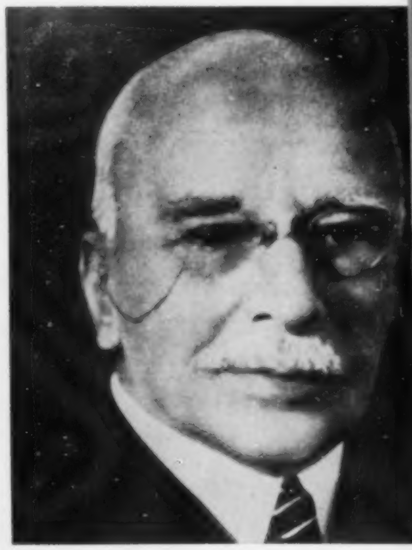
"Terrible," says Percy Brown, who worked for Filene on and off for twelve years. "And yet, when I dropped into the store the other day and talked with one of the old employees, we agreed life was a lot tamer, and maybe sadder, since E. A. passed away. He was a sort of time bomb, whose full effects will be felt years from now. He was too far ahead of his time to be appreciated. That made life with Filene tough—for him, and for us."

Filene set, in other words, a terrible pace. He was never married, never had anything to pull him from his work, never understood employees who were anxious to get home to their families at night. He worked fast, his mind juggled many balls simultaneously, and he never stopped.

"You never saw a man so restless, so projecting," says Brown. "His mail was from all over the world, with every sort of plea for help. I remember one morning after he had riffled through it, he said: 'P. B., what have we done about that Blank matter?' I answered, 'My God, E.A., it has just come to our attention for the first time in the mail there, which you have just read.' He just sat back and laughed his head off."

Brown, a management engineer, now lives in retirement in New Hampshire. He is a big genial man who looks like a compassionate Westbrook Pegler. Probably no man now living knew Filene any better or had a more sympathetic understanding of his mind. His first job with Filene lasted two years; soon he was back again as executive assistant, which he continued to be until Filene's death in 1937.

The first connection came in 1926,



when Filene advertised for an assistant director of the International Management Institute, in Geneva, Switzerland. This was ostensibly an international organization operating under the wing of the International Labor Office, but Filene through the Twentieth Century Fund was paying most of its bills. It worked for the reduction of tariff barriers and other impediments to world trade, and published a magazine in three languages. Brown applied for the job, Filene spent a full day interviewing him and then shipped him and his family off to Europe for two years.

"It will be many years before the world appreciates Filene as a great internationalist," says Brown. Filene could have claimed some credit for starting the League of Nations, since he was the principal figure behind the organization of the League to Enforce Peace, which preceded the later association of nations. He was a principal figure in the organization of the International Chamber of Commerce, capping the edifice of the Boston Chamber of Commerce and the U.S. Chamber of Commerce, in both of which Filene was a leader. His international interests led to his making a suggestion that developed tourist-class travel. He invented the system of simultaneous translation now used in many international conferences. He was in and out of most of the chancellories of Europe during the twenties and thirties.

"I remember a stir one day outside the League of Nations," Brown comments. "Photographers were waving their arms, trying to photograph Briand, Stresemann and other great statesmen, and there peeking out from behind these bulky figures was the wispy little shape of Filene." He got in everywhere, gave advice everywhere, was often regarded as a nuisance, but usually turned out to have been right. In 1937, another of his employees recalls, he warned Eduard Benes of the coming doom of Czechoslovakia, but Benes told him it couldn't happen.

No Ghosts Allowed

Filene wrote four books and made many speeches. When a speech was to be prepared, Filene would get the help of Brown and a former newspaperman named Charles Wood. Filene's speeches had to be perfect. "If we did only three drafts," Brown remembers, "it was because there wasn't time for five or seven. He was a perfectionist, but he couldn't write for sour apples. But it was not a ghost job in the sense of Wood supplying the ideas. The ideas were all Filene's. We always warned him severely not to depart from the text. The only time he did, however, was a terrific success. He was speaking in support of Franklin D. Roosevelt in Carnegie Hall in New York, and when he came to a passage on taxation, he laid the papers aside and said to the audience very simply and directly: 'Everything I have, I have gained from the public; if the public wants to tax it away, that is perfectly within the right of the public.' "

What is a man like who goes through life being called by his friends "E. A."? This is a little like being spoken to by serial number, an impersonal and arms-length kind of communication. It fitted Filene, who handled human relations awkwardly and was what the sociologists call "task-centered." He was eager to be liked, but he felt uncertain with people. At the store, his brother Lincoln Filene handled personnel problems. E. A. handled merchandising. When he spoke to credit union groups, he would turn anxiously to Roy F. Bergengren afterward and ask: "How did I do, Roy? Did they like me?" This was the price a mature man can pay for a childhood spent mostly indoors due to an early accident-produced rupture; for the adolescent eczema that embarrassed him in social contacts; for his short stature; for the fact that although he passed the entrance examinations at Harvard, he had to go to work in his father's store instead of matriculating.

His accomplishments as a merchant are too numerous to list. Filene's became the most famous department store in the United States under the management of E. A. and Lincoln Filene. It introduced the bargain basement. It set up the first clinic for employees. It had one of

Far left: the old family dry goods store, that became one of the world's great department stores. Near left: Filene was elected first president of the Credit Union National Association in 1934.

Percy S. Brown worked for Filene as his executive assistant for twelve years. He found Filene difficult and stimulating.

the first credit unions in the United States. It introduced an employees' suggestion system in 1899. It established a minimum wage of $8 a day for women and girls in 1912. Profit-sharing was introduced at Filene's in 1903. It was the first store in Boston to close on Saturdays during the summer.

It was the first store in the country to release its sales figures. It set up the first bureau of standards to coordinate the sizing of clothes. It pioneered the model stock plan. In 1912 it set up a wireless station on the roof. It was the second store in the country to air-condition a major floor area. It was the first to establish a buying office in Paris. It was one of the first to put in a public address system. Filene's merchandising genius gave him an international reputation, which opened doors for him everywhere. Yet because he was constantly criticising his fellow businessmen for practices which he considered hurtful to business — low wages, poor working conditions, long hours—he was not as popular in his own country as he was in Europe. There, like Henry Ford, he was considered an authentic prophet of a new economic system.

Filene learned about credit unions in India. What he saw there was the spectacle of low-income villagers perpetually in debt to money-lenders. "Although the struggling masses were reduced to almost nothing in the way of food, shelter and clothing," he told the story later, "they were clinging to the last shreds of respectability in trying at least to have respectable marriages and funerals. But these marriages and funerals cost great sums of money, and the only way that the poor could obtain such sums was through the practical mortgaging of their lives forever after to the money-lenders." Filene saw the first cooperative credit societies operating in India, and later he saw in Germany and Italy the people's banks on which these were modeled.

It was Filene himself who chose the words "credit union" to describe this type of organization, which in other countries was called a people's bank, a village bank or a cooperative credit society. Filene liked the name credit union, he explained later because, "I was seeking to undermine some prevailing prejudices. 'Union' at that time was about as acceptable a word in the ears of American business men as is, say, 'Bolshevik' today. I wanted to make it acceptable. I wanted employers to become interested in the constructive potentialities of unionism."

Interrupted by War

In 1909 the Massachusetts credit union law was passed, and soon after the Massachusetts Credit Union League was organized. By 1915, there were still only 64 credit unions in the state, and Filene was a little disappointed. War came and interrupted all progress, but in 1920 the Credit Union National Extension Bureau was set up and Roy F. Bergengren became its manager. Under Bergengren, backed by a total of $1,250,000 of Filene's money, came the steady growth that culminated in the passage of the Federal Credit Union Act and the organization of the Credit Union National Association in 1934.

Filene and Bergengren had many hot arguments in the years of their association. "Bergengren overemphasized the two men's differences," as Percy Brown recalls it now. They disagreed vigorously on legislation; Filene believed in relying on state legislation, while Bergengren wanted a national statute. There was rancor between them at times, but it died away. Filene's last words on Bergengren, as Brown remembers them, were, "Give Bergengren credit for doing a wonderful piece of work. He is a first-rate man. He has done a wonderful job." Soon after Filene's death, Bergengren began a campaign to erect a building as a memorial to Filene and an international credit union headquarters. The building was dedicated in 1950. Today it links together more than 24,000 credit unions, some of them in parts of the world where Filene, eager traveler that he was, never set his foot.

Filene belonged to a generation that was deeply concerned with social and economic problems, and not afraid to speak out. His voice is still worth hearing.

If your income barely stays ahead of expenses, a budget may help you get essentials like clothes and food.

WHAT CAN YOUR BUDGET DO FOR YOU?

MOST people look on budgets as a kind of prison. And if you try to budget your expenses on a low income, the results are certainly depressing. Take, for instance, this budget that a state of California agency worked out for single working girls. It was supposed to show how such a girl can live on a dollar an hour, which is now the minimum wage in California.

Working forty-eight hours and earning $48, here are some of the ways a California working girl can spend her money:

$392.73 per annum for federal income taxes, social security and unemployment compensation.

$2.80 for the state income tax.

$11.70 a year for education, including Sunday papers.

$51 for a one-week vacation.

Entertainment: $1.16 per week.

Forty clothing items, including 12 pairs of nylon stockings.

Three cents a week for stamps.

Meals: Seven breakfasts and six dinners at her residence club. For special treats, she is allowed 63 cents for lunches downtown and $1.46 for Sunday dinner.

She is allowed one new skirt, which must not have more than four pleats in order to hold down cleaning bills.

Nothing is allowed for laundry.

This is the kind of budget that gives budgeting a bad name. But thoughtful observers will point out that it isn't the budget that's bad—it's the income. You cannot do much with a budget to make a little money look like a lot, whatever the optimistic pocket magazines may say. The best you can do is protect yourself from starvation and the temptation to embezzle something.

A budget consists of four things: an estimate of income, a grouping of all expenses into a few major classes, a monthly estimate of payments to each expense group, and a daily record of payments made. It should be as simple as possible.

A budget can do three things: help you live within your income, promote thrift through wise spending and regular saving, and help you get on a pay-as-you-go basis.

There are several things a budget can *not* do, though sometimes people think it can: It cannot make decisions for you, it can only provide the facts to help you make your decisions. It cannot add anything to your income. It cannot give you a spending program for your life: you will have to change it as your income and your needs change.

One of the best ways to work into budgeting is to study the spending of other people. The following is a year's spending record for a California wage earner's family, including father and mother, a boy of thirteen and a girl of eight. This budget was compiled by the Heller committee for research in social economics of the University of California.

TOTAL EXPENSES	$5,849.67	
Income taxes	523.00	
Federal		$515.36
State		7.64
Total all other	5,326.67	
Food	1,617.99	

At home		1,585.87
Away from home		32.12
Alcoholic beverages	54.39	
Housing	912.27	
Household operation	272.86	
Housefurnishings	213.27	
Clothing and upkeep	464.74	
Man		122.79
Woman		137.36
Boy		109.01
Girl		95.58
Transportation	530.73	
Automobile		513.80
Carfare		16.93
Medical and dental care	436.34	
Personal insurance	233.08	
Commercial life		119.08
Old-Age and Survivors		84.00
California disability		30.00
Personal care	103.85	
Recreation	202.24	
Tobacco	94.12	
Reading	32.30	
Education	6.33	
Union dues	54.84	
Gifts and contributions	82.57	
Miscellaneous	14.75	

The record does not reveal incomes in this case, nor does it show the family's savings program. If the family budgeted for conservative savings of about 5 percent of total income, it would have put about $100 into a credit union share savings account. The family could consider its commercial life and old-age and survivors insurance premiums as a form of savings, since these would either accumulate a cash value or provide retirement income.

You should be able, without too much work, to compare your own expenditures with this family's. If you can't, then you are really flying blind. You may get there all right anyway, but on the other hand you may pile up in real trouble one of these days.

Is there anything you can do short of budgeting? Possibly there is. One financial counselor has suggested these five steps for the family that wants to stay solvent without going through the painful chore of budgeting:

1. Keep a checking account and fill in all the stubs. This will give you a record of your expenses.

2. Plan all major purchases in advance. Husband and wife should consult and agree on any expenditure involving hundreds of dollars.

3. Each year's end, list your debts and compare them with the year before.

4. Also list your assets: car, furniture, savings. Compare with a year ago.

5. If you have lost ground during the year, take steps to improve the situation either through more income or reduced expenditures.

These simple measures may solve your problem. After all, budgets aren't for everybody. They're not for the naturally thrifty or for the high income family. They're for the family that wants to know where it stands, either because of curiosity or because of dire necessity.

You can start your budget at either end—by looking back or by looking forward.

Looking back calls for an estimate of what you have spent in the past. If you can reconstruct your expenses farther back than a month, you're exceptional. A month is not very long; it does not show the variations in income that many families experience, it does not show the peak

With children, your expenses rise, probably more than income. By budgeting small allowances for the children and setting aside some for savings, you increase family enjoyment.

expenses for medical care or house heating or other seasonal items. To be quite honest about it, you will not get a clear impression of your expenditures until you have kept a record for a year—but every month helps.

Looking forward calls for the wildest guesswork. Every guess, of course, will be based on some dim memory; but you may do better if you take some guidance from the textbooks. For example, one writer suggests that for a family in the $5,000-$6,000 income range, expenditures will normally range like this:

- Food: 20-30 percent of gross
- Housing: 15-25 percent
- Clothing: 9-15 percent
- Transportation (including car): 7-12 percent
- Taxes: 12-15 percent
- Health and insurance: 7-12 percent
- Savings: 0-10 percent
- Installment payments: 5-10 percent
- Advancement: 5-10 percent
- Household help: 0-10 percent

These ranges are wide enough give you some idea of the variations that exist, but not so wide as they often are in reality. Another article in this issue shows how car costs can vary depending on how much you drive; still another article gives you some insight on housing costs. These may help you guess what your expenditures should be. Budget forms and booklets are readily available; your credit union treasurer has them or can get them for you.

But the important thing is to realize that a budget is not something you are supposed to crawl into, like a suit of armor, regardless of whether it fits you or not. On the contrary your budget should be built around your habits, the way kitchen cabinets are built around a kitchen. If you try to live in somebody else's budget, you will get bruises and sore spots all over you. Live in your own, and you can relax and enjoy yourself. A budget is supposed to help you see how much money you have and how to use it for the most satisfaction. If it occasionally reminds you that there isn't quite enough to go around, well, that's something you would find out sooner or later anyway—probably in a much more disagreeable way. Meanwhile, your budget can point the way to getting the most for your money.

The Road to Desire

You will probably enjoy your budget most if you build it on a purpose. If there is something you want very badly, like a farm or a college education for your children, place this at the top of your budget, and allocate whatever you can for it. This will transform the rest of your budget into something meaningful and beautiful—the road to your heart's desire. Save first, then spend the rest.

But of course you can't expect your budget to work miracles for you. There are many stubborn facts of financial life, which you will have to take as they come. For instance:

A young family is more mobile. It is likely to move a lot. More rent apartments, fewer own their own homes. Moving chews up a certain amount of income. Food and entertainment are more important; the new car and the appliances and furniture are a heavy burden. This makes budgeting difficult. Saving takes mostly the form of buying physical assets; but room should be made for the insurance protection program which will be necessary as the children arrive.

When the children come, income may drop as the wife stops work. Nevertheless, home ownership is likely to follow very soon. Expenses for furniture and appliances mount still higher. Food costs more, and there are new recreation costs for the children as they reach the age for it. Clothing costs rise as soon as the children enter school. Insurance and installment debts reach their peak. Savings are very low.

After the children leave the home, the pattern changes drastically. Income probably holds up or continues rising for a few years, before turning downward. The family may move into smaller quarters, reducing shelter costs. Durable goods and furniture require little money. Installment debt goes down. Savings should increase substantially.

Through the history of the family, the woman's part is hard to chart. Her income is often an important factor, but it is not something that should be counted on during the period when children are being born. As the manager of the home, she makes a contribution to the conservation of income which is rarely appreciated. Through sewing, canning, gardening and careful shopping, the wife can turn a sparse income into an adequate one. For this reason, many authorities urge turning over the budgeting job to the housewife. Certainly, no family's income can be wisely spent as long as the wife is kept in the dark about finances.

The children should also be brought into budgeting sessions as soon as they are capable of taking part. Their allowances should be a part of the family budget, and they should be encouraged to develop their own income and their own savings programs at an early age.

Your credit union can help you in your budgeting program in several ways:

1. While your own saving ability may vary greatly during your life, due to changes in income and family needs, you can always save something in your credit union, no matter how little. You should not allow this habit to die at any time.

Steady as She Goes

2. Your debts may grow big or small from time to time, but your credit union will help you hold your monthly payments at a steady level so that your budget will not get too lopsided. Meanwhile, most credit unions carry life insurance both on loans and on share accounts, so that your family will always have this protection even when your financial burdens are heaviest.

3. Most credit unions welcome the accounts of members of the family. This means extra savings accounts, extra insurance and extra security.

4. The officers of your credit union are always glad to talk over any financial problems with you. They know the answers to many problems from personal experience and from talking with other members. They don't want to sell you anything; the credit union has no need for that. The credit union is your organization; it exists simply to serve you.

From the Managing Director

Who are your Directors?

THEIR names aren't important; what I mean to ask is, "Are the directors of your credit union reflecting your views and attitudes in their direction of the credit union?" And the same, of course, goes for the elected committeemen of your credit union and all of the elected officials of credit union chapters, leagues, CUNA, CUNA Mutual Insurance Society and CUNA Supply Cooperative.

Most of those elected officials of the credit union movement are just the kind needed to build credit unions solidly and courageously. If there are any who don't measure up, all persons who had a hand, or should have taken a hand in the election to fill that post, must share the blame.

Are these honorary posts?

You bet it's an honor to be elected to responsible positions by the credit union, chapter, league, CUNA, etc., but that position is one of responsibility. Any elected individual not taking the load that goes with his post is letting his credit union down badly.

What are the qualifications?

A director or a committeeman in the credit union movement does not need to have technical background nor an unusual education. He needs the general balance known usually as "common sense". He needs to work well with other people. He needs to be willing to think and plan ahead for his credit union's future in service to its members and potential members. Above all, he needs to have an inborn love of his fellow men and a desire to serve them in the credit union way.

Election a popularity contest?

Not at all! An election is the exercising of sound judgment by member-owners of the credit union in deciding on policy makers for the board, and humane, sound extenders of credit for the credit committee, and willing, truth-seeking questioners for the supervisory or auditing committee. Some little thought needs to be given to filling these posts before the hour of the annual meeting, too.

Credit to the elected officials!

They deserve great amounts of credit. Their time has been volunteered and without pay.

To the membership, too!

With annual meetings and elections, comes the necessity of the membership exercising the right of selection of board members and committee members. And the members deserve a lot of credit for putting good men and women into the elected spots of the credit union movement!

H. Vance Austin

You can build a house and get one that you really want. Or you can buy a new house and get the latest. Maybe it's better, though, for you to rent or buy an older house. You ought to find out what each costs.

HOW TO FIGURE YOUR HOUSING COSTS

THERE was a time when you could move in and out of real estate and make money at every turn. Just before and during World War II, almost any family could buy a house, live in it a while, sell it for a profit and move into a better house.

It's thirteen years now since the war ended. In that time supply has started catching up with demand. In the past ten years in the United States alone, more than one million houses have been built every year.

The days of the quick profit are gone. On those same houses that turned over so profitably so many times, architectural obsolescence, deterioration, population shifts and industrial relocation have stripped away the varnish so that only the bare, shaky shell remains.

This is what the average new house sale looks like today:

- The house costs almost $15,000.
- It has 1,230 square feet of floor area.
- The entire three-bedroom arrangement is on one floor.
- Half have basements, half don't.
- Half have garages; another half have either a carport or nothing.
- Half have one bathroom; the other half is split between two full baths and one full and one partial.
- The exterior is of frame construction, maybe brick facing and maybe wood facing.
- The interior walls, more often than not, are dry wall instead of wet wall (plaster).
- Warm air piped through ducts provides the heat.
- There's an exhaust fan built into the kitchen; one-third of the houses have built-in garbage disposals.
- Air conditioning is still found in less than ten percent of the houses.

What did the financial arrangements look like on this average house?

- There was a down payment of something like $3,000.
- The remainder of the price was financed at an interest rate between 5½ percent and 6 percent. If bought early in the year, it was probably on the low side; later in the year, on the high side.
- The mortgage had between twenty and twenty-five years to run.
- The monthly mortgage payment, principal and interest, was $80 to $85.
- One out of every five dollars the proud owner made went into the house.
- Mortgage payments were steady and punctual; less than one percent of existing mortgages outstanding were foreclosed.
- The mortgage was of the conventional type—in other words, not guaranteed by a government mortgage insurance program, which is used mainly in the middle price range.

Federal Housing Administration studies show how people spend money on housing. Last year monthly mortgage payments ranged from $52.91 for an $8,696 house to $113.39 on an $18,000 house. But adding in total housing costs, the figures rose to $70.96 for people with less than $250 monthly income to $141.21 for people with monthly incomes over $1,000. These FHA figures are probably less than the general market.

Notice the difference between mortgage payment costs and total housing costs. One figure shows you what the house and the money you borrowed costs you; the larger figure is what it cost you to live in the house.

One of the cold facts of buying shelter is that the less money you can afford to spend on housing, the bigger portion of your income you are forced to spend. FHA figures show that people who earned less than $250 per month last year spent one dollar out of every three for housing. In the upper salary bracket, where monthly income was $1,000 or more, only one dollar out of every ten went for housing.

The above figures apply only to families owning or buying their homes. What about those that rented?

• They represent 40 percent of the population.

• They pay around $80 per month.

• The most common rental property they find available is a two-bedroom apartment or a two-bedroom house.

• Rental units are usually unfurnished.

• Arrangements vary on whether the renter or the landlord pays for utilities; in most cases, the renter bears the cost.

• Renters found plenty of rent property available below $40 per month, but they couldn't stand to live there; they found plenty available above $175 per month, but they couldn't afford to live there.

• Renting remained popular, because one out of every five families moved last year, either to another house, to another town or to another state.

You can study these and any other figures on housing and arrive at one conclusion: It costs, and it costs dearly, to provide shelter. The big decision is whether to rent or to buy. Here are some facts about renting:

1. Rent prices are sluggish. During inflation, they rise slower than other prices but tend to reach extra-high peaks. In depressions, rents go down very slowly.

2. Some say it is cheaper to rent than to buy. Following the yardstick that a house should rent for 1 percent of its value per month, a $10,000 house rents for $100. That same $100 would pay off a $15,000 mortgage in twenty years at $5\frac{1}{2}$ percent interest, or half again the value of the house that you could rent.

3. Some people prefer to rent: newlyweds, single men and women, widowers and widows, elderly persons and those who travel from job to job.

4. United States tax laws give a decided advantage to home-owners. One financier has estimated that the owner, by itemizing his mortgage interest and deducting it as allowed, gets a tax break equal to a $10-per-month drop in housing costs.

5. High interest rates have curtailed rental property building. In 1954, 90,000 rental units were built; in 1955, 86,700, and in 1956, 75,000.

6. People have different reasons for *not* renting. One survey found that 24 percent of buyers said it was cheaper to buy; 24 percent said buying is an investment; 22 percent pre-

ferred the idea of owning to renting, and 19 percent said they couldn't find a place to rent.

7. There is not so much choice in renting as there is in buying. Most families prefer to live in one-family dwellings — rental units, however, tend to be multi-family or at least duplexes.

8. Rents may go up, but monthly payments on a mortgage loan remain constant. Likewise, but not so likely, rents may go down.

9. Young men particularly have a hard choice in whether to rent or buy. As renters, they are freer to move if offered a better job. But as buyers, they are more likely to be considered stable, desirable employees.

10. Renting may be preferable if the family is uncertain on its housing needs, if its income is uncertain, if the family is subject to moving or if real estate values are likely to decline.

In deciding whether to buy or rent, home-ownership is often confused with adequate housing. This is an error. Owning a home will not necessarily provide adequate or economic housing. There may be limitations on the changes your mortgage contract will allow you to make in your house until you own it free and clear. Many families who have bought in housing developments, thinking that a new house was the main thing they needed, have found that newness wears off quickly. What is left may be cramped space, a downhill neighborhood, an excessive debt, a house whose value fades fast.

However, if you decide to buy, here are some points to remember:

Location is an important factor in choosing any shelter. One writer in the real estate field has devised a way of evaluating locations, using three degrees of importance for the various factors. These are his ratings:

Of equal rank are distance to school and church, degree of owner occupancy and owner pride in the neighborhood, quality and convenience of shopping areas, transportation facilities and cost, zoning stability, availability of necessary utilities, recreation opportunities, extent of neighborhood development and nature of terrain, including drainage and topography.

First: Where You Work

Twice as important as any of the above, in the writer's opinion, are quality of available schools, reputation and characteristics of the neighborhood, city tax structure, absence of noise, traffic, smoke and dust, and effective fire and police protection.

Finally, at the top of the list in importance, the writer places convenience to place of work.

How much can you afford to spend on a home?

In the mortgage trade there's a figure called MIR (minimum income requirement). Savings and loan associations, banks and insurance companies use different formulas in arriving at MIR. Here is one from an insurance company: Figure the monthly interest and principal on the mortgage which you propose to get. To that add one-twelfth of the annual property tax and one-twelfth of the annual fire and casualty insurance bill. Multiply this total by sixty. If the final figure is less than your gross annual salary (before taxes) you should be able to afford the mortgage. By this formula, if you make $5,200 a year, you can handle payments up to $86.66 per month.

There are some footnotes to this formula. From your gross salary you should subtract any installment payments which you may have contracted to make, including loan payments to your credit union. Also note that the figure used is your gross annual salary, not your after-tax salary. The multiple of sixty allows for this larger salary figure.

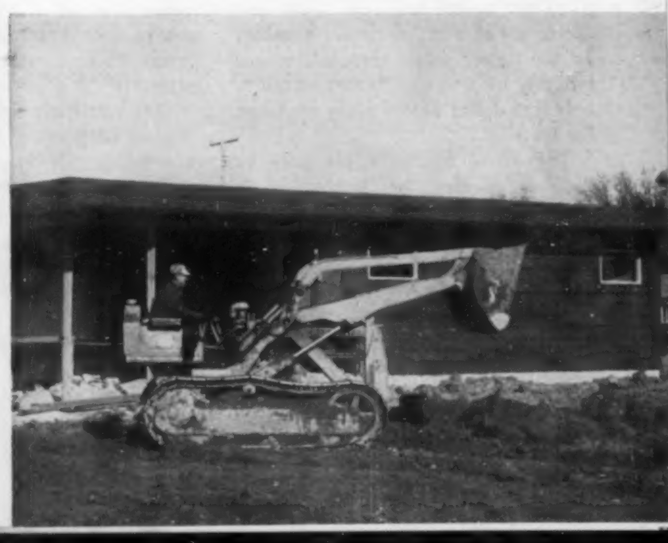
The Federal Housing Administration has been known to use a formula similar to this, substituting the multiple fifty-five in place of sixty. This, obviously, would result in a more conservative house-you-can-afford figure and smaller monthly payments.

Another formula which FHA has devised and one that has come under considerable fire allows a higher percentage of income to be spent on housing by those in the lower income brackets. As your income goes up, the percentage of income which you spend on housing goes down. Some experts say that this is exactly reverse of what it should be, but it's hard to fight the facts of life.

Unexpected costs are something else to think about.

People who have gone through a home-buying experience can tell the inexperienced that there are invariably little (and sometimes big) costs that you hadn't bargained for. Here are some of the possibilities:

Engineer's survey	$ 25.00
Recording mortgage	5.25
Recording deed	1.75



Title search	2.00
Title abstract	60.00
Advance interest	34.00
Reserve for taxes	77.00
FHA insurance premium in advance (½ of 1 percent of outstanding balance)	60.00
Liability insurance	10.00
Appraisal fee	25.00
Loan fees of lending agency (may be 1 percent of total mortgage)	120.00
Photo of house	15.00

Local conditions will affect this list, but watch out for those hidden costs.

Once you are moved in, you're still not through. You will have to keep cash or a checkbook handy while you wade through such items as these:

• Wiring for electrical appliances —your contractor if you built the house, or the owner if you are buying an existing house, may not have told you all about the house's wiring. If you have high-speed dryers or powerful home workshop tools or other implements which require heavy voltage, you may have to add wiring. This can run as high as $50 for one day's installation costs.

• Landscaping—a new house may have a completely landscaped yard, or it may be only partially landscaped, or it may be as bare as Bald Mountain. You can't get by for much less than $250 to $300 for a basic but complete landscaping job. Even if you put in your own labor in the yard and merely buy the trees, shrubs, sod and evergreens, you can spend more than $100 easily.

• Insurance on the house—these policies are normally sold for three-year terms. You, the buyer, and not the mortgage holder are the one to be concerned, for the lender can force you to continue paying on a burned-out shell. For the $15,000 house house which we have set up as typical, you will pay about $50 every three years for protection against fire alone. If you add extended coverage, which includes flood, hail, lightning and other natural disturbances, the three-year bill runs to about $75.

• Deposits for utilities—if you've been renting a house or apartment where utilities are furnished, you may not be prepared for the utility companies. Many demand deposits before they will connect your service. This can run as high as $50 or $75 for a gas or electricity connection.

Privacy at a Price

• Curtains, draperies or awnings —especially if you buy in a subdivision or other area where the houses are close together, you will immediately need some privacy which you may not have figured on. Since this is probably a permanent item, you may want to buy top quality products at the beginning, raising costs substantially.

• Basic tools, mail box, house numbers, light bulbs, etc.—an amazing number of little items can be left to the home buyer's expense. The builder probably won't furnish a mail box or house numbers, on which you can spend $5 for medium-grade products. There may not be a light bulb in the house. You may never have needed a lawn mower or a rake or hoe if you have always lived in an apartment or a house where lawn upkeep was furnished by the owner.

• Driveway—builders have a way of graveling in a driveway or laying one ribbon of concrete, virtually forcing you to lay the other ribbon to complete the driveway.

• Fuel—if the home you buy is equipped with a heating system which uses storable fuel like oil or bottled gas, you may find an empty tank if the house is new. That first filling bill will come due soon after you move.

• Items no longer usable—unless you are extra careful in the housing change, you will run into color scheme clashes. The blue accessories that you used in the first house or the apartment may look wretched with the brown or beige at the new place. This not only means you have to buy new things; you have also lost money and possibly created a storage problem on the old items.

One recent home-buyer said that you assume an expensive attitude when you are in the process of moving into a new house. When the builder says that for $50 extra you can have closets two feet deeper, or when the neighbor says that for an extra $100 you can be sure the basement never leaks, you are tempted to go ahead because you figure that this is to be your permanent home and you might as well get the work done all at once. A wholesome, self-respecting attitude, but expensive, especially if you haven't figured on these expensive extras.

There's another attitude that changes, especially when you move from rental property to a house that you own; it's also present when you move from a modest house into a

Even after you close the sale, there's still yard work and finish work to be done.

better house. You become more home-show conscious. Friends are almost sure to come by to see your new place; you wouldn't think of having them in unless the floors are waxed or the rugs cleaned or the drapes laundered.

As a home-owner, you become extremely conscious of the people next door. As a renter, you and all the other renters realize that nobody is going to make permanent improvements in a place which they will never own. But owners have to make these long-time changes; they also have to make changes as their neighbors do, at least along parallel lines.

This brings up the expensive, hidden cost of maintenance. Even though any well-built house should last fifty years, no house will remain livable, even for ten years, without a certain amount of care.

At what rate can you expect your house to start showing wear? At what age will appliances begin wearing out so that they either will give no service at all or will give only uneconomic service?

A research committee in social economics in California has made these estimates:

- Toaster, waffle iron and electric iron, ten years each.
- Refrigerator, stove, vacuum cleaner and washing machine, seventeen years each.
- Sewing machine, twenty-five years.

One professional real estate appraiser has developed an elaborate table showing the order of deterioration of various house components. This is valuable information, whether you are buying an existing house or whether you are buying a new house.

This is roughly the timetable according to which house elements are likely to need maintenance or replacement:

- Exterior paint, four years
- Heating system, ten to fifteen years
- Floor tile or hard wood floor, fifteen years
- Wiring and fixtures, twenty years
- Roofing, twenty years

There are other house parts which may deteriorate without care, though they could, with care, last the life of the house. These include plumbing and sewer lines, interior hardware, siding, exterior and interior trim and windows.

Other parts should never have to be replaced. When they are gone, the house probably is beyond reclamation. These include foundation and slab, frame, sheathing and boxing, interior walls and insulation.

One point to note in buying a house, either new or existing: Many parts which do not wear out become obsolete through age. Plumbing and sewer lines or house trim, for example, may still be in good repair but may be completely out-dated by new developments. It is then up to the home-owner whether to make do with obsolete equipment or to keep the house as modernized as finances allow.

As these various parts wear out in spite of your careful care, what can you expect to pay to replace them? These are typical 1957 figures:

- Plumbing and sewer lines, $1,519
- Heating system, $631
- Wiring and fixtures, $228
- Roofing, $260
- Painting, $549
- Gutter and flashing, $104
- Plastic floor tile, $518
- Finish hardware, $81
- Metal kitchen cabinets, $293
- Siding, $482
- Exterior trim, $427
- Interior trim, $579
- Windows, $516
- Foundation and slab, $1,038
- Frame, sheathing and boxing, $1,670
- Interior walls, $564
- Insulation, $101

Whether you rent or buy your house, you pay personal property taxes on some housefurnishings. This tax bill is almost sure to rise when you own your house because you either will have more space and will need more furnishings or you will use a more expensive type of furnishing.

Credit unions today are helping their members live happily in the type of housing that they want and can afford. Here are some examples (the list can be expanded by your credit union treasurer):

1. Your credit union share savings account is one of the best places to put away that regular amount each payday which eventually will become the down payment on a house. Rising housing costs and tight money have made larger down payments almost mandatory. People, especially veterans, still see a few of those enticing signs that say something about "no down payment and thirty years to pay." But that's not a smart housing contract unless you absolutely cannot afford any other housing. Your credit union treasurer can point out weaknesses in this nothing-down-eternal-pay scheme.

2. After building your credit union

share account, you can borrow against it to make that down payment or to buy the vacant lot where eventually you will erect your custom-built house. Remember, with two-way insurance through your credit union, you may leave your savings and have them insured up to $2,000; then you may borrow up to the limit and have every cent paid off should you die or become disabled.

3. If you're not in the market to buy or build, you might need to borrow from the credit union to pay that first month's rent in advance. Regardless of whether you move across the street or across the nation, there are unexpected costs always cropping up. At such times, it's convenient to have a credit union to call on for that quick loan.

Loans for Maintenance

4. If you already own your home or are buying it under an amortized mortgage (regular monthly payment including principal and interest) you may need a credit union loan to make some repairs to the house. Housing experts say that steady home maintenance is one of the big factors in keeping a house marketable. Maintenance also makes the house more livable for you. But maintenance costs are hard to estimate and even harder to plan ahead for. Experts say you should expect to spend 1 percent of the value of a new house each year. Your credit union treasurer probably can help you work out a savings plan that will cover any major repairs that you plan to make. Otherwise he'll be glad to arrange a loan that will pay for repairs that won't wait.

5. Finally, there are some credit unions which make conventional mortgage loans. Their rates are competitive, and their repayment terms are generally flexible enough to be fitted into your ability to repay. Don't be surprised if your credit union treasurer, however, tells you that your credit union can't make home mortgage loans. He will explain that the credit union's first purpose is to serve its members through short-term credit for personal needs. Only when a credit union feels that it has met all of its members' personal credit needs will it go into mortgage lending. But in any case your treasurer will know how to help you shop for the best mortgage loan and will be able to advise you what kind of terms to ask for in the contract.

Handy as a credit union share savings account is in preparing for buying a home, it is dangerous to set a definite goal of, say, $2,000; to save up to exactly that amount, then to withdraw it and sink it entirely into a home. For one thing, you're giving up insurance benefits that cost you, as a credit union member, nothing. For another, you may be siphoning off an emergency fund which you should have. It might be much better to set the $2,000 goal, then borrow $500 and use only $1,500 from the savings so that you have $500 remaining in the share account in case of emergency.

There may have been a time and a place when it was wise, in buying a house, to put just as little into the down payment as possible. In boom areas, where housing developers put up hundreds of houses all on the same floor plan, all on the same size lot and all the same color, a large initial investment may be a mistake. This is particularly true for the family moving into a temporary job, who must buy a house in order to have adequate shelter because rent property is not available, and who will want to sell the property as soon as the job is completed. The low down payment and the low equity which the first owner establishes may make the house more marketable. But a low down payment by itself will not make a house marketable, at least not indefinitely.

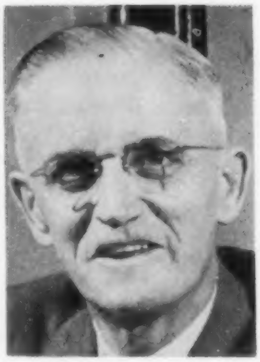
Build Equity Fast

There is one special advantage to making a large down payment that some people overlook. If you are buying a $14,000 house with a $2,000 down payment or less, your first monthly payments during several years to come will go mainly for interest. Your investment in the house —your equity—will build up very slowly. If you have to sell the house within the first two or three years, you will discover, after you have paid the realtor his commission, that you have cleared almost nothing.

But if you make a larger down payment, more of your monthly payments go toward principal. Your ownership, your equity, builds up faster. You knock down your indebtedness faster and earlier. If you have to sell, you will realize some good hard cash from the sale.

Your credit union can be a real help to you as a home owner. It will help you buy, it will help you move, and it will help protect the value of your property. Talk over your problems with the treasurer.

MEMORIAL FUND HONORS BERGENGREN AND DOIG



FRIENDS and admirers of Roy F. Bergengren and Thomas W. Doig can honor the memory of these credit union pioneers by contributing to an educational fund recently established in their names.

The Bergengren-Doig Memorial Fund will be used to provide scholarships for students attending the credit union summer school at Madison, Wisconsin and for other similar purposes as approved by the trustees.

Roy F. Bergengren was the first managing director of the Credit Union National Association; Thomas W. Doig was the second. They died within a few weeks of each other in November and December, 1955.

Gave Strong Leadership

For years Bergengren and Doig were the team that kept the credit union movement developing.

The elder by seventeen years, Bergengren began his credit union career in 1921, when Edward A. Filene appointed him executive secretary of the Credit Union National Extension Bureau.

As head of the Bureau, Bergengren became the nominal leader of a credit union movement which at that time included only 290 credit unions, mostly in Massachusetts and New York. Laws had been passed to permit incorporation of credit unions in ten states, but only four of these laws were good enough to be used.

The Long Train Ride

Bergengren, an attorney himself, spent much of his time during the next thirteen years in state capitals, working for the passage of credit union legislation. Meanwhile, he rode the trains, stopping off at town after town to give talks to groups interested in organizing their own credit unions. Leads came in as a result of the many books and articles he wrote. In state after state, individual leaders appeared, doing the same missionary work on a voluntary basis.

By 1934, Bergengren had succeeded not only obtaining passage of credit union laws in most states—he had also won a long campaign to get a credit union law passed by Congress, which made it possible to charter a credit union in any part of the United States, including territories like Hawaii, Alaska and the Canal Zone. In addition, he had done something toward introducing credit unions into Nova Scotia and other Canadian provinces.

The Credit Union National Association was established in 1934, and Bergengren's first choice as as assistant, to head up a new organizing drive, was Thomas W. Doig, who had already done much organizing work in his native state of Minnesota and in neighboring areas. Doig, a postal employee, had a hard and practical sense of what credit meant in the lives of working people and a gift of persuasion. He organized many new credit unions and helped set up a number of new leagues. Those who remember him best today undoubtedly think of his booming voice urging credit union officers to be liberal with loan applicants.

Echoes of the Past

The memory of these two men, who died within days of each other, carries with it for all old-time credit union workers a nostalgia for the days when credit was hard to get, unemployment was every man's nightmare, and the missionary spirit burned brightly.

The Bergengren-Doig Memorial Fund

Box 431, Madison, Wisconsin

We are glad to contribute $__________ to the Bergengren-Doig Memorial Fund

Name______________________________

Address______________________________

City____________________ Zone____ State__________

Expenses don't stop when you buy a car. Normal operation can cost more than ten cents per mile.

Do you know
WHAT YOUR CAR COSTS YOU?

THE old gray mare she ain't what she used to be; neither is the old black automobile.

Today your car costs you more than ever before; more to operate and more when you sell it or trade it in. More to insure. More to repair.

It costs you money whether you drive it or not. In spite of that, more people own cars nowadays. More people own two cars. Nearly everybody goes to work by car. The biggest problem in life for most people is where to park—unless you count money as one of your problems.

You can't drive a car today for much less than ten cents per mile. Here's the way it breaks down, according to the AAA:

On a per-mile basis you have these expenses:

Gas and oil	2.5 cents
Maintenance	.75 cents
Tires	.55 cents
Total cost per mile	3.80 cents

On a yearly basis, you have these fixed costs:

Insurance	$106
License and registration	18
Depreciation	530
Total yearly cost	$654

Say the average family drives 10,000 miles per year. With a fixed cost of 6.54 cents per mile (total miles divided into yearly cost) and operating costs of 3.80 cents per mile, you have a total cost of 10.34 cents per mile.

Note that even if you drive the car only one mile per year, you've still got the fixed costs of insurance, license and depreciation. Especially depreciation, which can run higher with minimum driving than with a moderate amount of driving and careful maintenance.

If most of your travel is inside the town where you live or in nearby areas, buses or street cars are probably the cheapest transportation for you. On long trips, you may do better by bus, train or plane. For transcontinental or transoceanic travel, you can choose between plane and ship, with planes becoming more popular every year. Cars are rarely cheap—they are mainly convenient, pleasant and comfortable. And they will take you places where there is no public transportation. Without a

car, there are more and more places you can't get to. More people use cars and more people spend money on cars than any other form of transportation.

Costs per mile of driving depend on how much driving you do. Using the figures above, which are the latest ones offered by the American Automobile Association, you get these comparisons:

10,000 miles at 3.80 cents	$380.00
One year's fixed costs	654.00

Total $1,034 or 10.34 cents per mile.

But by doubling the amount of driving to 20,000 miles, this happens:

20,000 miles at 3.80 cents	$760.00
One year's fixed costs	654.00

Total $1414 or 7.7 cents per mile.

Then, by cutting the mileage in half, you make even a sharper turn on a per-mile basis:

5,000 miles at 3.80 cents	$190.00
One year's fixed costs	654.00

Total $844 or 18.9 cents per mile.

Depreciation is the item that is hardest to figure. The simplest way to estimate how much the worth of your car has slipped is to determine how much you would need above your car's selling price to get a new car in the same price class with the same optional equipment.

Taking one of the lower-priced models, this is what happened to an eight-cylinder model with automatic transmission:

Market price new	$2350
Market price after one year	1750
Market price after two years	1200
Market price after three years	1050
Market price after four years	700

Depreciation is such a complicated subject that no car-owner can expect to know all about it. Extensive studies have been made both of government car fleets and commercial fleets, which may prove helpful.

One study of government vehicles estimates that a car depreciates 24 percent in one year, 37 percent in two years and 47 percent in three years. At either three years or 50,000 miles, the study says, major maintenance costs begin to develop.

Another study shows that a low-priced car should give 45,000 miles of relatively trouble-free operation; cars in the middle price class should give 60,000 miles, and the high-priced cars should go 80,000 miles without major repair or replacements.

This same study estimates that the average depreciation per year is 23 per cent. This allows for first-year depreciation varying from 37 percent to 42 percent, depending on the price of the car, with the high-priced

car depreciating somewhat faster.

Car-owners can get some idea of their individual costs by studying the attitude of business toward automobiles. For one thing, business firms owning automobiles commonly depreciate them at 25 percent each year for tax purposes. This is not completely realistic for private car owners, however, because the private car will go down in value more than the 25 percent the first year and will taper off to something under that figure sometimes in the second year.

A more valuable guide that car-owners can get from business practices is the allowance that companies give to employees who use their cars occasionally in company business. Almost half the companies surveyed by a Chicago cost accounting firm said they reimburse their employees eight cents per mile. No company allowed under six cents per mile, and some allowed as high as ten cents per mile.

Big things are happening in the automobile business, which may lead to some changes. Last year, in particular, these developments were noteworthy:

- There was a strong increase in sales of small foreign cars which sell new under $1800.
- There was a drop in sales of the so-called medium priced cars, though low-priced and high-priced makes continued strong.
- Ford and Chrysler regained some of their old position, so that competition among the Big Three is now hotter than ever.
- In the used car market, improved methods are being developed

Whether you buy, repair or just refill the gas tank, your car is a financial drain.

Regular care can keep your costs down. Driving schools help reduce repair bills and insurance costs . . .

—particularly with respect to guaranties and repair insurance on more recent models.

Auto prices have increased steadily since World War II, as everybody knows. However, the consumer has not felt the increases much until recently. As the Federal Reserve Bank of Philadelphia pointed out in a report this year, it is only now that the credit buyer—who accounts for about 70 percent of auto sales, both new and used—has begun to be hampered by larger monthly payments. For years, as auto prices rose, credit terms were extended, so that monthly payments remained about the same. Lately, however, auto loans have hit against a 36-month ceiling, which they break through occasionally but which will probably hold firm for years to come. Now, when auto prices rise, they are reflected immediately in higher monthly payments.

This might account for the fact that the small European cars are becoming so popular, with their lower mileage costs. It might account for the fact that medium-priced cars are running into sales resistance. It probably helps explain the fact that used car dealers are looking for better sales by working out 12-month guarantees that pay for all major repairs. It may lead to new developments in the area where there are many people who would like to buy new cars without paying over $2,000 for them.

Nobody has ever been able to work out a shockproof plan for buying automobiles. There are some consumers who say that if you buy a new car every two years you will avoid major repair bills and get the most for your money in satisfaction. There are others who say you can avoid heavy repair bills and also heavy depreciation by buying about fourteen months behind the model year—in other words, buy a 1956 model just after the 1958 models appear—and turn in your car every year. There are some who believe in buying as soon as the new models are out, in order to spread the depreciation over twelve months. Others say they like to buy in August or September, because dealers' profits are lowest then. Experts disagree, because conditions change from year to year.

As far as the manufacturers, the dealers and the bankers are concerned, developments in the direction of looser credit are not to be expected. Easy credit has gone as far as it can. The American Bankers Association has been especially earnest about this. Anything longer than thirty-six months is a gamble, says the ABA. An ABA estimate shows that the buyer who is paying for a car over thirty-six months often doesn't catch up with depreciation and obsolescence until at least twenty months have passed. In other words, he owes more than the car is worth during that time. If he lets it go, it will still cost him money.

The cost of upkeep

Every new car that is sold contains a driver's manual suggesting regular maintenance and how to take care of the car.

Some people follow the manual religiously. Some throw it away.

What do most drivers do? Here is what one mid-west auto serviceman said:

Mileage on car	Type of work done	Approximate cost
10,000	Motor tuneup, including a thorough check of the ignition system	$ 10.00
	Adjust tappets	13.00
	Pack front wheel bearings	7.00
	Total cost at 10,000 miles	30.00
20,000	Repeat each 10,000-mile item	30.00
	Repack universal joint	6.30
	Total cost at 20,000 miles	36.30
30,000	Repeat each 10,000-mile item	30.00
	Replace front wheel bearings	25.00
	Total cost at 30,000 miles	55.00
40,000	Replace brake linings	60.00
	Repeat each 10,000-mile item	30.00
	Clean out carburetor	24.00
	Repack universal joint	6.30
	Total cost at 40,000 miles	120.30
45,000	Grind valves	60.00
	Total cost at 45,000 miles	60.00
50,000	Repeat each 10,000-mile item	30.00
	Total cost at 50,000 miles	30.00
60,000	If brakes have not been cared for, replace all cylinders	75.00
	Repeat each 10,000-mile item	30.00
	Repack universal joint	6.30
	Total cost at 60,000 miles	106.30

In addition to these costs, you should allow $4 every 2,000 miles for oil change and lubrication. Every 6,000 miles this will increase to $8 to allow for change in oil filter.

Too Many New Cars?

The ABA goes on to argue that the automobile industry is heading for trouble when it over-produces and forces dealers to get rid of unwanted inventory by extending credit terms to 3½ and 4-year repayment deals; consumers are placed in a difficult financial position, the dealer or the sales finance company takes a heavy risk, and the turnover of the market is slowed down from a possible two-year turn to a possible four-year rotation. This businesslike argument weighs heavily with many in the industry.

Thus it looks as if the future will include new developments in the low-priced field, forced by the competition of the small foreign makes; better protection for the buyer of recent model used cars; and even, some suggest, a new type of supermarket method of selling cars, which might reduce dealer margins.

For the credit union member, one thing is certain. Any problems he may run into in financing, in excessive insurance charges, and in prepayment penalties, can usually be avoided by taking a credit union loan.

Robert Ingram is named Canadian manager

CUNA quarterly meeting sets up new Canadian budget

ROBERT INGRAM will become manger of the Credit Union National Association in Canada on January 1, it was announced last month. Ingram, now director of field services for the Ontario Credit Union League, becomes manager of CUNA Supply Cooperative at the same time. C. Gordon Smith, former CUNA manager, takes over full time as manager of CUNA Mutual Insurance Society in Canada.

The appointment of Ingram was announced by H. Vance Austin, CUNA managing director at Filene House in Madison, Wisconsin, following the quarterly meeting of the CUNA executive committee in Detroit on November 9. Action by the executive committee set up a new budget for CUNA in Canada. and was paralleled by similar action by the CUNA Supply board of directors. It followed a vote by the Canadian District of CUNA in mid-October authorizing the establishment of divided management for CUNA and CUNA Mutual in Canada, following a precedent established in Madison two years earlier.

Beales

Ingram joined the staff of the Ontario Credit Union League in 1951. Born in Toronto, he served in the Royal Canadian Navy during World War II. Trained in accounting, he became treasurer-manager of the CRC (Toronto) Credit Union in 1946. After serving as secretary of the National Association of Managing Directors in 1956-57, he was elected vice president of that organization in May 1957.

Other promotions were announced during the CUNA Supply Cooperative quarterly board meetings in Detroit. B. F. Beales, manager of CUNA Supply since its organization in 1935, has been named executive coordinator, a new position just created. Winfield S. Buchanan, formerly assistant manager, has been appointed manager. As executive coordinator, Beales' function will be to develop closer cooperation between CUNA Supply and league supply departments and depots in such areas as inventory control, pricing and forms production. Both Beales and Buchanan are long-time CUNA Supply staffmen.

CUNA Mutual Insurance Society, through its managing director, C. F. Eikel, Jr., asked the Credit Union National Association for support in its new chapter area representatives program, an educational plan designed to set up specialists in all chapters to answer questions about CUNA Mutual's insurance services. Support for the program was voted by the CUNA executive committee. A first meeting of league policyowner representatives was announced for December 5-7, in order to get the new educational program started.

CUNA's numerous standing committees met and produced this news:

International credit union study committee—A plan for bringing together credit unions from all over the world is being studied by this committee, under the chairmanship of William Brietzke of Illinois. Whether credit union leagues in other parts of the world should be invited to join the Credit Union National Association on the same basis as leagues now in the United States and Canada, or whether some new form of federation should be established to take in only national credit union associations, was discussed at length by the committee. The tone of the meeting suggested that a new world confederation will receive favorable consideration in the near future.

Education committee—It was reported to this committee, chaired by R. F. Williams of British Columbia, that a filmstrip on supervisory committees is in process. The need for a new operating manual for credit unions was strongly urged. Fieldmen's training conferences have now been held for about half of the leagues' employed personnel, and these are continuing. A public speaking contest will be sponsored by the CUNA educational department during the coming year. Preparation of a correspondence course in credit union operations is expected to take a year and a half. A conference for league educational specialists will be held in the spring of 1958. The possibility of a conference for credit union management

Buchanan

consultants will be studied.

Organization committee — Under chairman H. E. McArthur of Illinois, this committee discussed at length the factors affecting new credit union formation: volunteer activities, league organizational programs, liquidations, government attitudes, the effectiveness of the 1951-53 advertising program. The next committee meeting will focus on credit needs of farm families.

Insurance services committee—The $1 million maximum blanket bond 576 will be extended to provide optional coverage up to $2 million, it was recommended to this committee under chairman Harold Wingstad of Nebraska. A loss prevention program is being widened by the addition of two staff members to work with leagues, government agencies and credit union supervisory committees. As of August 31 there were 4,189 chattel lien non-filing insurance contracts in force, compared to 3,533 the year before.

Planning committee—This committee, under chairman Leonard R. Nixon of Connecticut, recommended that the CUNA budget be planned on a five-year basis and set up on the calendar year instead of the present fiscal year beginning March 1; this recommendation was later approved by the CUNA executive committee. Five-year budgets were submitted by all CUNA department heads.

Deposit insurance study committee —Chaired by William Brietzke of Illinois, this committee heard a detailed report on the Michigan League's stabilization fund presented by Forest Foster of the Dairymen's Credit Union of Detroit. The committee will give further study to the subject of a national stabilization fund.

CUNA will present the point of view of the credit union movement before the United States Congress in three hearings in 1958, President W. O. Knight, Jr., reported to the quarterly meeting. Most significant is the hearing on the Financial Institutions Act before the House Banking Committee; others include a tax hearing and a hearing on national financial problems.

New Utah field man

William D. Brown has been named junior field representative of the Utah Credit Union League, effective July 1, 1957. His territory will include the entire state of Utah with headquarters in Salt Lake City.

Brown has been active in the credit union movement since 1952. At the time of his appointment as junior field representative for the Utah league, he was treasurer of the Salt Lake Consumers Co - op Federal Credit Union in Salt Lake City. He has also served this credit union as a collector and member of the supervisory committee.

For the past seven years Brown was employed as assistant manager of the Salt Lake Consumers Co-op Service. Prior to that time he worked for the Phillips Petroleum Company, the American Telephone and Telegraph Company and in civil service work at the Hill Field Air Force Base at Layton, Utah.

Brown is a graduate of South High School in Salt Lake City. He is 32 years old, married, and the father of four children. His hobbies are fishing and other sports.

Education specialist joins CUNA staff

William A. Atkins was appointed education specialist in the education department of the Credit Union National Association last August.

Atkins had his first contact with the credit union movement while employed by the Virginian Railway Company in the Auditor of Revenue's Office. There he joined Virginian Railway Employees Federal Credit Union in 1949. He became assistant treasurer in January of 1955. This experience decided him to make credit union work his career.

At the time of his appointment to his present position Atkins was serving the Virginia Credit Union League as director of education. Prior to that, from May 1955 to October 1956, he was a field representative for the

Virginia league, assigned to the Eastern Virginia area.

Atkins was born on August 7, 1929, in Brownsville, Pennsylvania, and graduated from Churchland High School, Churchland, Virginia in 1946.

He is a former Marine sergeant, married, and the father of one child. His hobbies are sports.

Illinois adds fieldman

Herbert M. Buehring was appointed field representative for the Illinois Credit Union League last November. He will organize and service credit unions in the Chicago area in a territory bounded by North Avenue, Harrison Street, Lake Michigan and the Western Cook County line.

Buehring brings to his new position active managerial experience in two credit unions. He was one of the original incorporators of the Blue Island Depot Federal Credit Union, a Chicago Surface Lines group. From 1938 to 1942 he served this group as treasurer. And for several years afterwards, he assisted the new treasurer with bookkeeping and operating advice.

At PMCO Federal Credit Union (Pettibone - Mulliken Corporation) Buehring was treasurer from 1943 to 1945 and directed a general reorganization of the group's operating methods.

Buehring's occupational experience includes twelve years (1945-1957) as assistant treasurer of Wilson Brothers, a Chicago manufacturer of men's wear.

The new field representative is a graduate in accounting at Metropoliton Business College.

He is forty-five years old, married and resides at 374 Ridge Avenue, Elmhurst, Illinois

COMING EVENTS

January 26—**Utah** State Credit Union League annual meeting, Hotel Utah, Salt Lake City.

February 10-15 — **CUNA and affiliates** quarterly meetings, Hamilton Hotel, Chicago, Illinois. February 13, 10 a.m., joint meeting. February 14, 10 a.m., **CUNA Mutual Board;** 2 p.m., **CUNA Supply Board.** February 15, 9 a.m., **CUNA Executive Committee.**

March 1 — **Maryland** Credit Union

League annual meeting, Lord Baltimore Hotel, Baltimore.

March 6-8—**North Dakota** Credit Union League annual meeting, Memorial Building, Jamestown.

March 6-8—**Ontario** Credit Union League annual meeting, Royal York Hotel, Toronto.

March 15—**Connecticut** Credit Union League annual convention, Hotel Statler, Hartford.

March 21-22—**Arizona** Credit Union League annual meeting, Memorial Union Building, Tempe.

March 21-22—**Rhode Island** Credit Union League annual meeting, Sheraton-Biltmore Hotel, Providence.

March 21-22—**Mississippi** Credit Union League annual meeting, Heidelberg Hotel, Jackson.

March 27-29—**Texas** Credit Union League annual meeting, Galvez Hotel, Galveston.

April 10-12—**Oklahoma** Credit Union League annual meeting, Tulsa Hotel, Tulsa.

April 11-12—**District of Columbia** Credit Union League annual meeting, Hotel Statler, Washington.

April 11-12—**Illinois** Credit Union League annual meeting, Sherman Hotel, Chicago.

April 11-12—**Iowa** Credit Union League annual meeting, Savery Hotel, Des Moines.

April 11-12—**Oregon** Credit Union League annual meeting, Multnomah Hotel, Portland.

April 11-12—**Virginia** Credit Union League annual meeting, Hotel John Marshall, Richmond.

April 12—**New Hampshire** Credit Union League annual meeting, Angelo's Restaurant, Concord.

April 18-19—**Colorado** Credit Union League annual meeting, Shirley-Savoy Hotel, Denver.

April 18-19—**Massachusetts CUNA** Association annual meeting, Hotel Somerset, Boston.

April 18-19—**Tennessee** Credit Union League annual meeting, Hotel Patten, Chattanooga.

April 18-19—**West Virginia** Credit Union League annual meeting, Stonewall Jackson Hotel, Clarksburg.

April 18-20—**New Jersey** Credit Union League annual convention.

April 24-27—**Ohio** Credit Union League annual meeting, Deshler Hilton, Neil House and Columbus Memorial Hall, Columbus.

April 25-26—**Alabama** Credit Union League annual meeting, Mobile, Alabama.

April 25-26—**Michigan** Credit Union League annual meeting, Civic Auditorium, Grand Rapids.

April 25-26—**Minnesota** League of Credit Unions annual meeting, Duluth Hotel, Duluth.

April 25-26—**Nebraska** Credit Union League annual meeting, Lincoln Hotel, Lincoln.

April 25-26—**Pennsylvania** Credit Union League annual meeting, Penn Harris Hotel, Harrisburg.

April 25-27—**Hawaii** Credit Union League annual meeting, Hawaiian Village Hotel, Honolulu.

April 25-27—**Kansas** Credit Union League annual meeting, Broadview Hotel, Wichita.

April 25-27—**Louisiana** Credit Union League annual meeting, Monteleone Hotel, New Orleans.

May 23-25—**South Dakota** Credit Union League annual meeting, Lawler Hotel, Mitchell.

June 20-21—**Washington** Credit Union League annual meeting, Davenport Hotel, Spokane.

Helping your friends

Credit union members can help their friends, neighbors and relatives get the benefits of credit union membership.

If there is anyone in this group who is not a member but would like to be, pass the word to any officer of your own credit union.

A meeting can easily be arranged, with a qualified organizer to help, for any eligible group of employees, church members or other interested people.

CLASSIFIED

POSITION WANTED: Treasurer and general manager of western credit union seeks similar position. His group may have to liquidate because of continuing layoffs. Forty-two years old, has degree in business administration. Write Box A41.

FOR SALE: NCR window posting machine, model 629. Purchased new May 1957. Liquidation of credit union necessitates sale. Write John U. Barker, Manager, Mallory Federal Credit Union, 3300 Jackson Avenue, Memphis, Tennessee.

FOR SALE: Monroe posting machine, Model 209-485-191, Serial No. 96249. Excellent condition. $200. Write Ed Grothus, Box 795, Los Alamos, New Mexico.

FOR SALE: Bound volumes of The Credit Union Bridge, all twelve 1957 issues in one handy permanent form. Price $4.50 each. Write Credit Union Bridge, Box 431, Madison, Wisconsin.